

**To:** Lane, Bill F[Bill.Lane@ncdenr.gov]  
**From:** McKinney, William C  
**Sent:** Mon 1/29/2018 6:31:57 PM  
**Subject:** FW: [External] Re: Governor Cooper Announces Fund for Clean Energy and Rural Development; Urges Continued Scrutiny and Accountability as Pipeline Moves Forward

PRIVILEGED ATTORNEY WORK PRODUCT

Hey Bill,

Hope you are well. See below from the NCGA looking for information regarding the Mitigation Fund. I would like to discuss below with you at your convenience. My assessment is that the fund is likely not "State Funds" as the legislature uses that term. I think the Gov. has ample constitutional authority to enter into such agreements, and it is the corporation's determination on how to spend and organize its mitigation funds. Welcome any thoughts you have about same.

Kind regards,

Wcm

-----Original Message-----

From: Walker, Kristin L  
Sent: Monday, January 29, 2018 8:51 AM  
To: McKinney, William C <William.McKinney@nc.gov>; White, Julia W <Julia.white@nc.gov>  
Cc: Perusse, Charlie <charles.perusse@osbm.nc.gov>  
Subject: FW: [External] Re: Governor Cooper Announces Fund for Clean Energy and Rural Development; Urges Continued Scrutiny and Accountability as Pipeline Moves Forward

Please see questions below from Fiscal Research regarding the Atlantic Coast Pipeline Trust.

-----Original Message-----

From: Karen Hammonds-Blanks (Fiscal Research) [mailto:Karen.Hammonds-Blanks@ncleg.net]  
Sent: Saturday, January 27, 2018 1:29 PM  
To: Walker, Kristin L <kristin.walker@osbm.nc.gov>; Karen Hammonds-Blanks (Fiscal Research) <Karen.Hammonds-Blanks@ncleg.net>  
Subject: [External] Re: Governor Cooper Announces Fund for Clean Energy and Rural Development; Urges Continued Scrutiny and Accountability as Pipeline Moves Forward

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Kristin,

To follow up on yesterday's discussion, please let us know:

1. Who "owns" the \$57.8 million?
2. Are these State funds?
3. Where the funds will be deposited (State treasury?)?
4. Who will administer the fund?
5. Legal authority to enter into such a MOA.

More questions may follow.

Thanks for your help.

Karen

Sent from my Sprint Samsung Galaxy S® 6.

----- Original message -----

From: "Walker, Kristin L" <kristin.walker@osbm.nc.gov>

Date: 1/26/18 4:36 PM (GMT-05:00)

To: "Karen Hammonds-Blanks (Fiscal Research)" <Karen.Hammonds-Blanks@ncleg.net>

Subject: FW: Governor Cooper Announces Fund for Clean Energy and Rural Development; Urges Continued Scrutiny and Accountability as Pipeline Moves Forward

Got your voicemail. I don't have any other information than what is in this press release but let me know what questions you have and I can see what I can find out.

From: Governor Cooper's Press Office [mailto:govpress@nc.gov]

Sent: Friday, January 26, 2018 12:54 PM

To: Walker, Kristin L <kristin.walker@osbm.nc.gov>

Subject: Governor Cooper Announces Fund for Clean Energy and Rural Development; Urges Continued Scrutiny and Accountability as Pipeline Moves Forward

[Office of Governor Roy Cooper]

FOR IMMEDIATE RELEASE

January 26, 2018

Contact: Ford Porter

Phone: 919-814-2100

Email: govpress@nc.gov<mailto:govpress@nc.gov>

## Governor Cooper Announces Fund for Clean Energy and Rural Development; Urges Continued Scrutiny and Accountability as Pipeline Moves Forward

RALEIGH: North Carolina will work toward a renewable energy future and rural economic development with the establishment of a new fund, Governor Roy Cooper said Friday.

The announcement comes as the North Carolina Department of Environmental Quality (DEQ) issues the requested water permit for the Atlantic Coast Pipeline (ACP).

ACP and its partners Dominion Power and Duke Energy will put \$57.8 million into the fund to be used for environmental mitigation initiatives such as reducing the carbon footprint and expansion of renewable energy sources. Funds can also be used to ensure that local communities benefit economically from the pipeline by having have access to natural gas from the pipeline. ACP did not guarantee affordable access to natural gas for communities through which the pipeline will run. Details on how the fund will operate are underway.

"My goal for North Carolina is complete reliance on renewable energy, which builds a cleaner environment and a stronger economy," Gov. Cooper said. "During the time it takes to get us to a full renewable energy future, we will still need to rely on other fuels as we move away from the pollution of coal-fired power plants."

The memorandum of understanding on the new fund can be read [HERE<http://click.icptrack.com/icp/relay.php?r=38560189&msgid=419218&act=X15T&c=1346310&destination=https%3A%2F%2Ffiles.nc.gov%2Fgovernor%2Fdocuments%2Ffiles%2F2018\\_01\\_25\\_MOU.pdf%3FK8Jzy\\_R7221YZ3Am3iXOaTtI0joZiDZX>](http://click.icptrack.com/icp/relay.php?r=38560189&msgid=419218&act=X15T&c=1346310&destination=https%3A%2F%2Ffiles.nc.gov%2Fgovernor%2Fdocuments%2Ffiles%2F2018_01_25_MOU.pdf%3FK8Jzy_R7221YZ3Am3iXOaTtI0joZiDZX).

DEQ is committed to an added level of protection for communities. The agency will carefully monitor construction and operation of the pipeline, which has conditional water permits from the Federal Energy Regulatory Commission, the state of West Virginia and the Commonwealth of Virginia, in order to address any potential safety risks. ACP will be required to mitigate any damage from the construction.

"Preserving clean water and the integrity of the communities where this pipeline is constructed will be a priority," Gov. Cooper said. "I have asked our environmental regulators at DEQ to hold this project accountable and to continue to insist on clean water, effective sedimentation control and high air quality along the path of the construction. At the same time, I am continuing to push for more renewable energy, especially solar and wind."

DEQ required ACP to submit additional application information on five occasions. Based on information received in that process and feedback during a public comment period, the water permit includes numerous stringent requirements including stream and wetland monitoring and protection, well testing, regular inspections, and construction stormwater protections.

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This message was sent to kristin.walker@osbm.nc.gov<<mailto:kristin.walker@osbm.nc.gov>> from govpress@nc.gov<<mailto:govpress@nc.gov>>

Governor Cooper's Press Office  
Governor Cooper's Press Office  
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